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**MTAC Focus Group Sessions**  
**Wednesday, January 15, 2014**

**VISIBILITY/SERVICE PERFORMANCE MEASUREMENT**

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**Session 1: FIRST-CLASS MAIL**

(Sharon Harrison, MTAC Industry Leader)

***Overview by USPS Leadership on Focus Area and FCM Impacts***

**Recap of Action items from November MTAC:**

- Add a FCM breakout to the RPN/UAA volume trend
- Service Tracking Exceptions – A list of these service performance measurement exceptions
- Clarify PBSA information from the PBSA guide.
- As far as what the designator will be will that be part of the upcoming CASS schedule?
- Add lag time between city notifications to USPS of a new address to first delivery at that address (user group 5). Make that recommendation.
- This is to add to the UAA study they will do. Add lag time between notification of a UAA piece and when USPS returns the piece (UAA study).
- Add an update for First-Class breakout to the trend chart.
- Provide Status on PostalOne lag time issues and internal discussion points. A workgroup has been established in USPS to align. Also, a subgroup to user group 4 is being developed to discuss the lag time and system improvements for informed visibility.

**Opening Remarks and Discussion:**

Full Service will continue to push forward. We will continue to ask the industry to work with us on the By/For and adoption of Full Service. We appreciate and recognize that our

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partnership is important to fulfill our mutual focus to grow mail. We have seen many great things happen this year and there is more to come. We are driving service performance and utilizing diagnostics to reduce cost and improve service across all mail categories. We are focused on all facets of the mail.

### **Presentation discussion and questions:**

In First-Class mail over 3 days, does it get lost in the process or is it the large volume of mail in December? Weather and the air networks can be a challenge. Is there a conscious choice to concentrate on packages as opposed to letters? We try to anticipate what the volume will be during the holiday crunch and minimize impacts due to heavy volume and weather related issues.

First-Class volume is going down, but the measurement is going up. What proportion of this mail is being measured? Mail in measurement vs the pool. 42% of Presort First-Class Mail is in measurement. 24% is in FS basic. The question is; what is the drawback and what is stopping the adoption process from basic to full service?

Comment - We think there is a gap in the data associated to the cost structure and the process. We are still giving postal a start the clock, and it might be a terminology thing. We are uniquely identifying each piece. This is an opportunity - we can communicate this to let USPS know that we are measuring this mail and would like the data around it. If people are presenting paper statements, postal service can put this in PostalOne!. Assuming the goal is to focus on the 29%. The problem is measuring these pieces.

Question - How do we give you data before we create the mail? Is there some aggregate in which you can send me information?

The original upload in the file - If we have data before we have the mail we can really have some business intelligence to help plan the workload, take costs out of the infrastructure and operate more efficiently.

Comment - At a Mailer ID level or a CRID level, it seems there could be business rules written into PostalOne! instead of having us push the file ahead of time. Most of our list based clients are giving us files in advance, but if they have pickups, how is giving you advance data going to help? From an inventory and workload, understanding all the data points are very important.

Comment - We think the USPS has the ability to look at the data that we already provide and compute that data differently.

Question - What starts the clock?

A container scan starts the clock. It is determining the actual entry time: when we have possession of the mail. We need to have the nesting relationship provided, and the start the clock begins when we scan that container. Continuous mailers do not always push data in advance. There are many mailers in the 29% that do not get their eDoc in before the mail. If you know that the mailer will reconcile within 3 or 6 hours, it seems that PostalOne! would be able to recognize this by MID or CRID. Is this a data architecture issue? Can we have further discussion on this? If seamless can reconcile, why can't PostalOne! reconcile this? We are asking you to help us push that to help get measured.

10.22% No piece scans. eDocs do not match what is coming over the machines. This is undocumented mail. If you can determine that there are more on the machines than in eDoc, you may be able to reduce the number. There will always be a significant number, and the industry understands this issue.

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**DISCUSSION TOPIC:** CASS Cycle O – What is the status / approach on PBSA indicators?

- Secondary Address Designator “SA” is proposed for street addresses representation used for PO Box delivery.
- Customers would be advised to include “SA” designator when providing their address to mailers: 131 S Center St SA 351
- Earliest USPS cross-functional readiness August 2015 depending on funding and prioritization.
- Industry Impact - AS is currently not on a drop-down list, and the cost is prohibitive. There should be an approach that says optional.
- The challenge is to make the decision when and whether to add the designator. The mailer will have the option to accept what comes back as a return or not. Just like it is today.

**DISCUSSION TOPIC:** UAA Study Update – What is planned and how can industry help?

- We are in the process of formulating this and the study will be executed in 2015. Seamless is another way we can look at this also. It may be the special study to document may not be necessary.
- Industry hopes that the secure destruction costs will offset the cost of UAA.
- We proposed a promotion on UAA secure destruction with Gary Reblin’s team.
- A number of our clients are required to put mail in with UAA is the cost paid for in First-Class mail?

**ACTION ITEMS**

- Stop scan for continuous mailers to measurement. Stop scans observed before start the clock. PostalOne non-measured data
- User Group 5 – “SA” designator understand decision impacts
- Add the new UAA page on RIBBS

**Session 2: PERIODICALS**

(John Stark, MTAC Industry Leader)

**Recap of Action items from November MTAC:**

- Timeline of when visibility will be in play for Periodicals
- IEO Industry Alert re: PAF Policy posted on RIBBS

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Discussion:

Are the data coming in from the scans from reporters? Yes.

What's the difference between full service measureable and full service non-measureable? Auto and non-auto.

Exclusions:

When you're doing the measurement are you taking into account the grace periods? Yes. This is also part of SASP. All the business rules that are associated to FS come out of that system.

USPS and Industry needs to collaborate on eDoc entries.

**DISCUSSION TOPIC:** NYC carrier bundle scan test update.

- The 99P is the postal placard that is placed on the pallet at the origin entry office. Carriers scan top piece of bundle when mail is cased for delivery
- Scan translated as out for delivery.
- What about the overnight periodicals pallets and sacks that are entered at DDU?
  - These have a barcode and a tag on them. We will add this as an action item and will work on the opportunity to add the distribution event on these. If we can get a barcode on the bundles that would work, but we won't be able to add them to the individual pieces. It is possible to have service levels improve.

**DISCUSSION TOPIC:** Update on last mile impact levels.

- Nesting containers is driving behavior. We will work with operations to get visibility. Software changes will be implemented in March and we will have an update on the Last Mile Impacts.

**DISCUSSION TOPIC:** WG 161 update on Single Source ACS chargebacks.

- This group has been meeting since September, has been progressing well. A lot of the data is being lost or charged if the transactions are more than 35 days old.
  - Thoughts: 1. Look back 120 days which will cover a majority of the transactions.
  - 2. Can we have a certification process that shows the percentage of the time we are good? Include recertification and a threshold process.

**DISCUSSION TOPIC:** Update on implementing FPARS for flats.

- A launch in 2015 to roll out the FPARS system. Test deck scenarios are being developed.

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- From the mailers side, what would we see differently? FPARS will generate ACS information, and we should see an improvement. It will be transparent as far as the mailer receiving the mail back.

### **ACTION ITEMS**

- Follow up on how to scan overnight periodicals bundles dropped @ DDUs (typically newspapers) & get them into SPM
- We will send an alert on the new Landing Page for UAA Mail when it becomes available. It will be out probably within the next week.

## **Session 3: STANDARD MAIL**

(Wanda Senne, MTAC Industry Leader)

### **Overview by USPS Leadership on Focus Area and Standard Mail Impacts**

#### **Recap of Action items from November MTAC:**

- Visibility Timeline (Same as PER FG)
- Provide "Bypass mail" volume
- Look at information regarding delivery mode impact to Last Mile
- Industry to consider participating in MID test regarding containers. Possible task team under UG4
- IEO Industry Alert re: PAF Policy posted on RIBBS
- What is the total volume of mail in SV vs non-SV?

#### **Introductions and Discussion:**

On origin entry, is that mail that's being dropped at an SCF that's got to go from one NDC to another NDC? That may be one of the routes. When you're talking about network volume, it depends on the origin facility and then the downstream facilities.

Mail in measurement – 38% is not in Full Service? What will it take for the 38% to convert to Full Service?

31.01% No Start the Clock – we are unable to get a start the clock on this percentage of mail –

- Lack of a container unload scan or inability to identify the FAST appointment associated to the container. Are there duplicate placards? Without a Start the Clock, we cannot measure the mail
- With eDoc we should have information for repeat offenders or offer training as needed.

23.67% No piece scan – no automation scan observed for the mailpiece.

- Is it something that we are doing wrong as mailers?

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- You may want to look at 5-digit mail being cross docked to the DDU to be hand worked. Not all mail that is run on machines is automation friendly because it varies in thickness. When they see this type of mail coming in, they send it to be hand cased. Booklets and folded self-mailers may be bypassing automation unnecessarily and may have an IMb. The plant assumes it is not automatable.
- There may be patterns about what is missing. Drilling down after the fact may show a trend in facility or mailers, perhaps it can be traced.
- Perhaps there is a pattern somewhere in operations, at the delivery unit, etc. It's not necessarily consistent, but with IMb tracking we can tell where these things might be happening. Industry may be able to provide some data that can help to solve this issue. We can track the mail down to the 5-digit and our data may be able to help the Postal Service resolve this issue. We should continue to look at this.
- The BSNs may also have information as to where issues may be occurring. Could it be a DMU site (origin not destination) where scanners may not be working? Campaign mailings do not usually get 100%. A national mailing may be able to be reviewed.
- Postal is offering to work with industry to determine where this is happening and why.

#### **Standard Flats:**

Last Mile Impacts and closing the gap. Who has possession of the mail?

- We work with operations continually. We need to determine acceptance of the mail to the last operation. We are closing the gap from the APPS scan to the mailbox. Scanning trailers and/or containers will provide information about who has possession of the mail. Nesting is key, if operations have the data they can be more focused on getting the mail through to the last mile.

What % of Flats Mail is Not in Visibility? – 22% doesn't get visibility or scans.

- What's included in the 22%? Non-automation mail, drop-shipped DDU, cross-docked to a DU (5-Digit bundles, carrier route bundles)
- If USPS will continue to inform us on this issue, we will work with the mailers to drive that number down.

Mail Not in Measurement – Exclusion Reason breakdown

#### **Standard Mail Flats**

- 7.18% incorrect entry facility becomes difficult when trying to provide intelligent data for the field to take action. If I can't provide the information about the facility, I can't provide intelligent diagnostics. USPS postal facility, Locale key, NASS codes, physical address, ZIP Code. Whatever methodology you are using for your eDoc I can tie that back and provide that information to the facility and provide intelligent data.
- Has this changed over the last several quarters? There has been a lot of mail movement and it might be something good to look at. We will take this away and look at it.
- We want everything in measurement, and if we can get the facility data, we can provide intelligent information.

How often do you look at this information? This information is looked at weekly and does not fluctuate drastically; it is fairly consistent.

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### **Surface Visibility:**

The top 6 sites already have wireless installed and we are working to get all 10 up and running by the beginning of April 2014. We are also working on adopting new technology to enhance the process.

Do non-SV sites include DDUs? The non-SV sites do not include any DDUs. We currently have 168 SV sites.

When the Hubs hit, will that shrink or grow? We will study and repurpose equipment to make sure the system is streamlined and the process is simplified.

### **DISCUSSION TOPIC: Help Desk FAQs**

- To be posted to RIBBS in the Education section under Intelligent Mail Services. A link has been added under the Education section.

### **DISCUSSION TOPIC: UAA Study update**

- RIBBS Enhancements New Landing Page for UAA Mail. These are very comprehensive documents by class of mail, shape, processing operation, etc.
- Subscribe to updates or go to the updates tab on RIBBS to find topics and items of interest. If you subscribe, you will be sent alerts on updates and new information.

### **DISCUSSION TOPIC: Service Standards**

- Changes – We are hearing that these are being deferred. There will be a Federal Register Notice.

### **DISCUSSION TOPIC:**

- New Policy Announcement: NCOA Link PAF Renewal Update. DMM Advisory has gone out to industry and industry alerts will be provided.

### **DISCUSSION TOPIC:**

- Start the Clock pallet scan available earlier. We have been researching this extensively and the vehicle of implementation is challenging. We are exploring cost effective implementation solutions.

### **DISCUSSION TOPIC:**

- Are you contemplating putting some note on your IMb planning tool to reflect the change?
  - As we get closer to that I'm going to have to look at the extra day and how this can be represented. If you have any ideas, we are open to suggestions.

### **ACTION ITEMS**

- Steve Dearing will perform an initial analysis to ID how/where to investigate mail exclusion percentages.
- Exclusions are being added to micro-strategy reports.

## Session 4: PACKAGE SERVICES

(John Medeiros, MTAC Industry Leader)

### Items critical to package visibility

See slide 1 of the MTAC Package Services presentation posted on RIBBS

### Recap of Action items from November MTAC:

- Provide Barcode quality feedback for less than 98% IMpb compliance – The information will be provided in a report to begin at the end of January
- Consider 6 digit MID use for 11 digit routing IMpb format. Add to PTS User Group #2 – Options will be discussed in the February eVS/PTR user group.

**DISCUSSION TOPIC:** Clarification of some finer points of IMpb rules and Implementation Schedules.

- The MTAC presentation clarifies these and is posted on RIBBS

**DISCUSSION TOPIC:** Legacy barcodes are permitted until 2015. Are Exceptions needed for Legacy barcode use?

- No

**DISCUSSION TOPIC:** Market Dominant parcels are not subject to Non-compliance fee until a later date. Is there a specific date?

- We are allowing a transition period until July for customers to begin implementing. A date has not been specified for IMpb Non-Compliance Fee assessments on Market Dominant parcels. The date and fee amount are subject to PRC filing and approval.

**DISCUSSION TOPIC:** Do we know if the non-compliance fee will be the same as the Competitive Products Non-Compliance fee? What are the next steps?

- We want customers to continue and proceed in adopting IMpb. We will revisit the non-compliance price adjustment for Market dominant parcels which is deferred to a future date, pending the PRC process.
- There are some smaller companies and maybe some larger ones that will need some additional time.
- What percentage of equipment is deployed and in use in the field today? We've increased the number of PASS units, we utilize DSS, and we are moving forward with technology. We are concerned that we are being penalized when you do not have the capability to measure. If you can't get there, we are providing exceptions and working to deploy equipment to areas with largest volumes. We need the address information so we can get to the carrier route. We know that the address information is absolutely vital to ensuring visibility. Postal and industry has worked very well together and we are moving forward. We will continue to work together to drive adoption and increase the % address, 11-Digit DPV or ZIP+4 Code information.



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- **DISCUSSION TOPIC:** What are the requirements for Hazmat parcels in July 2014? Will Service Type Codes need to be present in the PIC? Will a Service Code be needed in the file, or both?
- We expect customers to include the additional services code (ASC) for HAZMAT in the Shipping Services File. That will allow us to identify packages that contain hazardous materials.
- Include ASC in Detail 1 record, in the last (5<sup>th</sup>) Extra Service Code position identifying the presence of either hazardous material or live animals in shipment.

#### **DISCUSSION TOPIC:**

- Non-Compliance fee – MTAC presentation is posted on RIBBS and contains this information
- PostalOne! Webinars- MTAC presentation is posted on RIBBS and contains this information
- Predictive Delivery Day – Predicts the date delivery can be expected based on in transit scans and the final destination for a package. Soft launch initially, viewable internally only, then rolled out externally by product and viewable on USPS Tracking™. Placement and scripting for the Predicted Delivery Day feature is under review. Any feedback we can get back from the industry regarding our exception reporting will be appreciated.
- USPS SMS Tracking™ – Allows customers to receive tracking updates by texting a tracking number to 28777 (2USPS). A question was raised about whether a phone number must be entered and separate request made for each package or must a profile be established. At this time the phone number (SMS enabled) must be entered for each package. There are plans for preference options for customers in the future.
  - Text your tracking number to 28777 (2USPS) and you will receive text messages updates.
- Overlabel features will be available in PTR Release 1.7, as will the addition of origin acceptance scans for Parcel Return Service packages.
- SV Expansion – Redesigning SV to capture additional visibility. How does this integrate with real-time effort? SV is real-time. SV is all in plants and measures movement throughout the network. We are working on getting this to 100%.
- RIBBS Enhancements – New Landing Page for UAA Mail. The new page should be up within the next week. UAA stats are broken down by class, shape, handling methodology, etc. It is a very in-depth look at UAA Mail. Go to updates tab on RIBBS and you will find new information.
  - RSS is not on the updates section on RIBBS. We will add that.

#### **ACTION ITEMS**

- Add RSS to the updates section on RIBBS

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- Add a package tab to RIBBS
- FAQ for MRS are in progress and will be updated by the end of this week. A letter went out to customers and we have an email address to receive feedback.